[*Translation*]

Waiver of Interest on Bank Loans to Youth

2803. SHRI CHHEDI PASWAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to waive of the interest charged on the loans given by banks to the unemployed youth;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c). There is no proposal to waive of the interest charged on the loans given by banks to the unemployed youth. Loans are provided by the commercial banks to the unemployed youths out of the funds collected from the depositors which bears rate of interest according to the maturity period of the deposits. Any general waiver on the rate of interest charged on the loans sanctioned to the unemployed youth would seriously affect the viability of the banks concerned. The ventures on which bank loans are granted, are formulated in such a way that these would be viable enough to generate sufficient surpluses for the payment of interest alongwith instalments due. Under the Scheme for providing Self Employment to the Educated Unemployed Youth (SEEUY), Government provided capital subsidy at the rate of 25% of the project cost on the loans sanctioned.

[*English*]

Widing up of I.F.C.I. offices

2804. SHRI UDDHAB BARMAN: Will the Minister of Finance be pleased to state:

(a) whether there is any proposal to wind up the offices of Industrial Finance Corporation of India at Cochin, Bhubaneswar, Patna and Guwahati; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The Industrial Finance Corporation of India (IFCI) has reported that is has currently no proposal to close the offices of IFCI at Cochin, Bhubaneswar, Patna and Guwahati.

(b) Does not arise.

Operation of Account by 'Skipper Vihar' in Union Bank of India

2805. SHRIMATI GEETA MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether Union Bank of India has recently acted as agent of SKIPPER, a Delhi based construction company, for the sale of Skipper brochures at Rs. 10/- each of accepting earnest money at the rate of Rs. 10,000/- for booking in 'SKIPPER VIHAR' near Gurgaon;

(b) if so, whether the Haryana Urban Development Authority has protested to the Union Government against the above action of the Union Bank of India;

(c) if so, the details thereof and the reasons therefor; and

(d) the action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (d). Union Bank of India, at the specific request of Skipper India Ltd. agreed in the normal course of business to act as collecting agent for accepting applications